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- (i) A statement of the facts presented to support the origin, nature, and amount of the debt;
- (ii) The hearing official's findings, analysis, and conclusions; and
- (iii) The terms of any repayment schedules, or the date salary offset will commence, if applicable.
- (4) Failure to appear. In the absence of good cause shown (e.g. excused illness), an employee who fails to appear at a hearing shall be deemed, for the purpose of this subpart, to admit the existence and amount of the debt as described in the notice of intent. The hearing official shall schedule a new hearing upon the request of the creditor agency representative when good cause is shown.
- (5) A hearing official's decision is considered to be an official certification regarding the existence and amount of the debt for purposes of executing salary offset under 5 U.S.C. 5514 only. It does not supersede the finding by Peace Corps that a debt is owed and does not affect the Government's ability to recoup the debt through alternative collection methods under other appropriate methods.

§ 309.17 Procedures for salary offset.

Unless otherwise provided by statute or contract, the following procedures apply to salary offset:

- (a) Method. Salary offset will be made by deduction at one or more officially established pay intervals from the current pay account of the employee without his or her consent.
- (b) *Source*. The source of salary offset is current disposable pay.
- (c) Types of collection—(1) Lump sum payment. Ordinarily debts will be collected by salary offset in one lump sum if possible. However, if the amount of the debt exceeds 15 percent of disposable pay for an officially established pay interval, the collection by salary offset must be made in installment deductions.
- (2) Installment deductions. (i) The size of installment deductions must bear a reasonable relation to the size of the debt and the employee's ability to pay. If possible, the size of the deduction will be that necessary to liquidate the debt in no more than 1 year. However, the amount deducted for any period

- must not exceed 15 percent of the disposable pay from which the deduction is made, except as provided by other regulations or unless the employee has agreed in writing to greater amount.
- (ii) Installment payments of less than \$25 per pay period will be accepted only in the most unusual circumstances.
- (iii) Installment deductions will be made over a period of not greater than the anticipated period of employment.

§ 309.18 Voluntary repayment agreements as an alternative to salary offset.

- (a) In response to a notice of intent, an employee may propose a written agreement to repay the debt as an alternative to salary offset. Any employee who wishes to repay a debt without salary offset shall submit in writing a proposed agreement to repay the debt. The proposal shall admit the existence of the debt and set forth a proposed repayment schedule. Any proposal under this paragraph must be received by the official designated in that notice within 20 calendar days after receipt of the notice of intent.
- (b) When the Peace Corps is the creditor agency, in response to a timely proposal by the debtor the agency will notify the employee whether the employee's proposed written agreement for repayment is acceptable. It is within the agency's discretion to accept a repayment agreement instead of proceeding by offset.
- (c) If the Peace Corps decides that the proposed repayment agreement is unacceptable, the employee will have 15 calendar days from the date he or she received notice of the decision to file a petition for a review.
- (d) If the Peace Corps decides that the proposed repayment agreement is acceptable, the alternative arrangement must be in writing and signed by both the employee and a designated agency official.

§ 309.19 Waiver.

(a) Under certain circumstances, employees may have a statutory right to request a waiver of indebtedness. When an employee makes a request under a statutory right, further collection will

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be stayed pending an administrative determination on the request.

(b) Waiver of indebtedness is an equitable remedy and as such must be based on an assessment of the facts involved in the individual case under consideration. The burden is on the employee to demonstrate that the applicable waiver standard has been met.

§ 309.20 Compromise.

Peace Corps may attempt to effect compromise in accordance with the standards set forth in the FCCS (31 CFR part 902).

§ 309.21 Suspension of collection.

Suspension of collection action shall be made in accordance with the standards set forth in the FCCS (31 CFR 903.1–903.2).

§ 309.22 Termination of collection.

Termination of collection action shall be made in accordance with the standards set forth in the FCCS (31 CFR 903.1 and 903.3–903.4).

§ 309.23 Discharge.

Once a debt has been closed out for accounting purposes and collection has been terminated, the debt is discharged. Peace Corps will report discharged debt as income to the debtor to the Internal Revenue Service per 26 U.S.C. 6050P and 26 CFR 1.6050P-1.

§ 309.24 Bankruptcy.

Peace Corps generally terminates collection activity on debts that have been discharged in bankruptcy unless otherwise provided for by bankruptcy law. The CFO will seek legal advice by the General Counsel's office if there is the belief that any claims or offset may have survived the discharge of a debtor.

PART 311—NEW RESTRICTIONS ON LOBBYING

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APPENDIX A TO PART 311—CERTIFICATION REGARDING LOBBYING

APPENDIX B TO PART 311—DISCLOSURE FORM TO REPORT LOBBYING

AUTHORITY: Section 319, Public Law 101–121 (31 U.S.C. 1352); 22 U.S.C. 2503.

Cross Reference: See also Office of Management and Budget notice published at 54 FR 52306, December 20, 1989.

Source: 55 FR 6737, 6749, Feb. 26, 1990, unless otherwise noted.

Subpart A—General

§311.100 Conditions on use of funds.

(a) No appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative ageement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) Each person who requests or receives from an agency a Federal contract, grant, loan, or cooperative agreement shall file with that agency a